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Sikkema on school insurance reform:
'We can't afford to wait any longer'
Senate Majority Leader renews call for completion of Senate Bills 895-898

Lansing – Senate Majority Leader Ken Sikkema today renewed his call for the completion of legislation that would save school districts an estimated $570 million in the first three years alone. Senate Bills 895-898 would allow competitive bidding on school employee health insurance while maintaining existing excellent benefits.

"We can't afford to wait any longer," said Sikkema, R-Wyoming. "School districts are already struggling with increasing costs, especially in the areas of health insurance, and now they are facing a shortfall in state aid because of the state's budget problems."

Sikkema's call came after a weekend filled with news reports detailing a looming school-funding shortage of more than $280 million and a growing number of schools facing deficits if something isn't done to change the tide.

"You cannot address the short-term or long-term health of school financing in Michigan without addressing the cost of health insurance for teachers," Sikkema said. "The governor says she'll deal with this in January or February but that's too late. The time to act is now, when this legislation is close to completion, not next year when we have to start all over again."

Weekend reports indicated 20 public schools districts and two public school academies are running with deficits – twice the number of districts stuck in deficit two years ago. In addition, more than half of the state's school districts have less than the recommended 15 percent in savings. Forty districts have just 2 percent or less in savings – double the number from two years ago.

"The reality is that costs are increasing and funding is becoming more difficult given Michigan's economic problems," Sikkema said. "These bills offer a way to help school funding while protecting benefits for Michigan's hard-working teachers. I see no reason for any further delay."

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